

Summary of Internal Audit Service work between 1 April 2020 and 14 May 2021 from which the overall opinion is derived

<u>Ref¹</u>	<u>Type²</u>	<u>Audit title</u>	<u>Assurance objective</u>	<u>Position @ 14 May 2021</u>
21-A	N/A	Continuation of work commenced in 2019-20	To complete any outstanding audits	<ul style="list-style-type: none"> Complete
21-B	GO	Annual Governance Statement 2019-20	Review of the management self-assessments of assurance in the 2019-20 AGS	<ul style="list-style-type: none"> Final report issued – Substantial Assurance
21-C	GO	Transition to Financial Reporting Standard 102	Preparedness for the movement from CIPFA to FRS 102 to include governance related reports supporting the financial statements	<ul style="list-style-type: none"> Final report issued - Substantial Assurance
21-E	GO	Frameworks	Developing any new offerings	<ul style="list-style-type: none"> As reported previously, two pieces of advisory work completed in respect of the analysis and reworking of ESPO's Procurement Workplan for the remainder of 2020/21 in order to adjust Business as Usual activity as a result of the effect of COVID-19.
21-G	RM	Warehouse	<p>Original Objective: Review of the capital investment decision process</p> <p>Revised Objective: To provide advisory through the project lifecycle (see 2021/22 plan)</p>	<ul style="list-style-type: none"> Advisory Complete for 2020/21
21-H	RM	Credit Control	Review of credit control arrangements especially with export and private sector and due diligence routines	<ul style="list-style-type: none"> Final report issued – Partial Assurance <p>A number of recommendations made but all accepted by management</p>
21-I	RM	Counter Fraud - NFI	Results are correctly interpretation and investigated	<ul style="list-style-type: none"> Matched reports were received in February 2021 and promptly issued to

				<p>relevant ESPO Officers to review</p> <ul style="list-style-type: none"> • Completion of investigatory work has been requested by end of May 2021 • Further work will be undertaken therefore in 2021/22 (See Job 22-J)
21-J	RM	Counter Fraud - Procurement	Specific area(s) of potential fraud are addressed	<ul style="list-style-type: none"> • Draft report issued – Substantial Assurance
21-K	RM	Website Development	Key risks and issues are effectively identified and managed - project governance and assurance on user testing and training	<ul style="list-style-type: none"> • Terms of engagement previously agreed • Ongoing control advice as critical friend on project board • Additionally, ad-hoc practitioner advice given by the ICT auditor
21-L	RM	IT Developments	Replacing e-mail servers into the cloud; future delivery methods	<ul style="list-style-type: none"> • All development work was incorporated into Key ICT Controls coverage for 20/21 – see Job 21-O.
21-M	RM	Emerging Risks	ESPO identification and preparedness for any emerging risks e.g. climate change requirements	<ul style="list-style-type: none"> • Climate Change Internal Control Questionnaire issued to Leadership Team • Further work to be undertaken in 21/22
21-N	IC	General Financial Systems	To discuss with the External Auditor and Assistant Director (Finance), but typical coverage includes reconciliations; receivables; payables; payroll and stock	<ul style="list-style-type: none"> • Draft Report Issued – Substantial assurance
21-O	IC	IT General Controls	The range of controls expected by the External Auditor are well designed and consistently applied.	<ul style="list-style-type: none"> • Draft Report Issued – Substantial assurance
21-Q	IC	Servicing Authority	Key Performance Indicators for services provided by the Servicing Authority are adhered to	<ul style="list-style-type: none"> • Draft Report Issued – Substantial assurance

Substitute/Additional Jobs – All completed:

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21-S1	IC	Contingency – Cyber Issue	To investigate a fraudulent invoice associated with an ESPO client	<ul style="list-style-type: none"> • Advisory - work complete (all procedures at ESPO operated correctly – the issue was at the customer end)
21-S2	IC	Contingency – HR Compatibility claim	To ascertain validity of the claim and any associated lessons learned.	<ul style="list-style-type: none"> • Advisory Complete
21-S3	IC	Contingency – IT Assurances during COVID	Adequate IT Controls are in place during the Covid-19 Pandemic.	<ul style="list-style-type: none"> • Final report issued - Substantial Assurance
21-S4	IC	Contingency – Receivables and Payables Assurances during COVID	Key Receivables and Payables Assurances were maintained during the initial move to offsite working	<ul style="list-style-type: none"> • Advisory – work complete and no issues raised
21-S5	RM	Counter Fraud Risk Assessment	'Identification of Potential Fraud Risks in accordance with the CIPFA Code of Practice on Counter Fraud (2014)	<ul style="list-style-type: none"> • Advisory – work complete and no issues raised

Audits in progress

<u>Ref</u>	<u>Type</u>	<u>Audit title</u>	<u>Assurance objective</u>	<u>Position @ 14 May 2021</u>
21-D	GO	Transition from EU	Preparedness for potential supply chain issues and workforce issues	<ul style="list-style-type: none"> Self-Assessment questionnaire returned by ESPO Leadership Team – results currently being analysed <p>(Note: Work purposely delayed until deal/no deal situation was known and could be factored in)</p>
21-R	IC	Overseas Travel	Post event reviews	<ul style="list-style-type: none"> Report currently being compiled

Audits not started

None

Deferred Jobs

21-F	GO	Business Growth – Strategic Alliance(s)	Business case development, review and approval	<ul style="list-style-type: none"> Deferred into 21/22 (COVID has delayed some of the progress work at the ESPO end)
21-P	IC	Rebates Income	Annual audit to evaluate whether rebates received conform to estimates of supplier business generated - focus will be on site visits	<ul style="list-style-type: none"> Supplier visits have not been possible – deferred into 21/22

¹unique reference numbers based on the financial year in question (i.e. '21-A' relates to the first entry on the approved 2020/21 audit plan)

²the three elements of the control environment (governance, risk management and internal control)

³traditionally audits where the external auditor has placed reliance on the work of internal audit